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November 13, 2018

Via Electronic Submission

<https://www.fcc.gov/ecfs/filings>

Federal Communications Commissions
445 12th Street, SW
Washington, DC 20554

RE: MB Docket No. 05-311. Second Further Notice of Proposed
Rulemaking. Cable Television Franchise Fees.

Dear Commissioners:

The County of Tuolumne is strongly opposed to the Second Further Notice of Proposed Rulemaking (FNPRM) of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992. As proposed, this action would allow cable companies to deduct the fair market value of public, educational, and government (PEG) channel capacity and transmission from their franchise fee calculations. The proposed rule could have a severe impact on government transparency as well as a significant loss of revenue to the County's general fund.

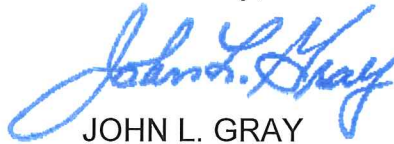
In California, the State streamlined the deployment of cable services by making the California Public Utilities Commission (CPUC) the sole franchising authority in the state. In its negotiations with cable companies, the CPUC ensured that local government retained control of rights of way and that a sufficient amount of cable network capacity was reserved for PEG access channels.

As written, FNPRM will allow cable companies to significantly reduce and possibly eliminate franchise fees paid to local government depending on the value the companies place on the "fair market value" for PEG capacity and transmission. A portion of Tuolumne County's franchise money is passed through to its PEG provider, Access Tuolumne, which relies on these funds to upgrade and maintain its system equipment. Access Tuolumne provides government and local related programming such as Tuolumne County Board of Supervisors meetings and City of Sonora City Council meetings. These could be in jeopardy if these franchise fees were reduced.

Tuolumne County received over \$528,000 in cable franchise fee revenue last fiscal year. If the current FNPRM language is allowed to stand, this revenue could disappear from County coffers. The potential loss or reduction of this flexible general revenue would have a significant impact on the County's general fund.

Government is in the business of providing public services to its residents and the FNPRM will make this more difficult. Tuolumne County encourages fair and appropriate use of the public's right of way and local government should be appropriately compensated.

Sincerely,



JOHN L. GRAY
Supervisor for District 4